

SENATOR DWORAK: What savings are we getting from that reduction, if that is the reason you reduced it? That is the question I'm asking, Senator.

SENATOR LABEDZ: Senator Dworak, you are a member of the Revenue Committee. You, yourself, reduced it to \$25,000.

SENATOR DWORAK: But this was a year ago, and I don't remember the figures.

SENATOR LABEDZ: Okay. It's in the book, \$3,163,000 with your amendments.

SENATOR DWORAK: But that included the all-money income and a couple of the other provisions that we just struck. We just struck a provision. I realize that is not before us now, but I think we ought to be aware that we're dealing in an area here that we have no idea what kind of money we're talking about. The committee amendments had a proposal in there to include all-monied income, such as tax exempt bonds and things like that. We also had a proposal in there which took into account the provision of everybody receiving this exemption, whether they qualified by income or not. This was all part of the overall provision of the committee amendments that were very meticulously, and in detail debated. Now, all of a sudden, we're doing away with all this, and we have no idea what it's costing or what we're doing. I think we're going kind of fast on this piece of legislation.

SENATOR SAVAGE: Chair recognizes Senator Newell.

SENATOR NEWELL: Senator Labedz.

SENATOR SAVAGE: Senator Labedz, will you respond to a question by Senator Newell?

SENATOR LABEDZ: Yes, Senator Newell.

SENATOR NEWELL: At this point you're basically taking out the all-monied income concept that you had, sort of a negative concept, by saying that retirement would no longer be exempted. Is that correct?

SENATOR LABEDZ: That's correct.

SENATOR NEWELL: All right. So now we're doing it basically back to the original bill. So we're not.... Back to the original type of homestead that we have now. Is that correct?

SENATOR LABEDZ: That's correct, with the exception that we're increasing it from 15 to 25. That is the first amendment. That is all we're doing to the original law as it stands today.

SENATOR NEWELL: One other question. Basically the original bill, in a negative way, allowed for more exemptions of income. Now we're just really limiting it to those incomes that federally not taxed, or comes from municipal bonds, or certain other retirement. In other words we're really making it where there are half as many loopholes as there used to be. Is that correct?

SENATOR LABEDZ: The homestead exemption, as I introduced it, will be based on the federal filing requirements for the elderly, over 65. It does not include nontaxable pensions, bonds, or anything that you are speaking of.